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FM STRATSOURCSUPPOFF MILLINGTON TN

TO AIG 11319

CMC WASHINGTON DC

INFO STRATSOURCSUPPOFF MILLINGTON TN

BT

UNCLAS //N04860//

MSGID/GENADMIN/3SO MILLINGTON TN//

SUBJ/STRATEGIC SOURCING PROGRAM ADVISORY 02-13//

REF/A/DOC/CNO/07JUN1999//

REF/B/DOC/OMB/28MAR1996//

REF/C/DOC/10USC2461/-//

REF/D/DOC/FY2002 DOD APPROPRIATIONS ACT/-//

NARR/REF A IS THE NAVY COMMERCIAL ACTIVITIES PROGRAM INSTRUCTION, OPNAVINST 4860.7C. REF B IS OMB CIRCULAR A-76 AND ITS SUPPLEMENTAL HANDBOOK TITLED "PERFORMANCE OF COMMERCIAL ACTIVITIES." REFS C AND D (SECTION 8014) ARE STATUTORY REQUIREMENTS FOR CERTIFIED MOST EFFICIENT ORGANIZATIONS (MEO) FOR ACTIVITIES PERFORMED BY MORE THAN 10 DOD CIVILIANS.//

RMKS/1. THIS ADVISORY CANCELS STRATEGIC SOURCING PROGRAM ADVISORY 01-08.

2. THIS PROGRAM ADVISORY REVISES THE NAVY APPROACH FOR CONDUCTING STREAMLINED COST COMPARISONS. THE TWO MOST SIGNIFICANT CHANGES ARE:
A. THE REQUIREMENT THAT CANDIDATES FOR STREAMLINED COST COMPARISON MUST BE IDENTIFIED AS PART OF THE CONGRESSIONAL ANNOUNCEMENT PROCESS VIA THE PROPOSED ANNOUNCEMENT SECTION OF COMMERCIAL ACTIVITIES MANAGEMENT INFORMATION SYSTEM (CAMIS). OPNAV N124 WILL VALIDATE AND APPROVE THESE CANDIDATES PRIOR TO CONGRESSIONAL ANNOUNCEMENT.

B. NO CENTRAL SUPPORT FUNDING WILL BE PROVIDED FOR A STREAMLINED COST COMPARISON.

3. REF A PART II CHAPTER 5 PRESCRIBES PROCEDURES FOR CONDUCTING A STREAMLINED COST COMPARISON FOR ACTIVITIES WITH 65 FTE'S OR LESS.

REF B PART II CHAPTER 5 PROVIDES NON-MANDATORY ALTERNATIVE PROCEDURES THAT MAY BE USED WHEN THE GOVERNMENT DETERMINES THAT A SIMPLIFIED COST COMPARISON WILL SERVE THE EQUITY AND FAIRNESS PURPOSES OF CIRCULAR A-76. THE SPIRIT AND INTENT OF REF B STREAMLINED TECHNIQUE WILL BE FOLLOWED. SPECIFICALLY:

A. NO DEVELOPMENT OF A NEW OR ORIGINAL PERFORMANCE WORK STATEMENT.

B. NO FORMATION OF A MOST EFFICIENT ORGANIZATION OTHER THAN THE EXISTING ORGANIZATION.

C. THE IN-HOUSE COST WILL BE BASED ON THE EXISTING ORGANIZATION.

D. THE EXISTING ORGANIZATION WILL BE THE ORGANIZATION ANNOUNCED.

4. REFS C AND D REQUIRE PROVISION OF A CERTIFIED MEO ANALYSIS TO CONGRESS BEFORE A COMMERCIAL ACTIVITY (CA) MAY BE CHANGED TO PRIVATE SECTOR PERFORMANCE, FOR CA'S BEING PERFORMED BY MORE THAN 10 AND 50 DOD CIVILIANS, RESPECTIVELY.

5. THE PREFERRED CANDIDATE FOR A STREAMLINED COST COMPARISON WOULD BE THE SEVERABLE CA IDENTIFIED AS THE RESULT OF A FUNCTIONALITY ASSESSMENT (FA). IF A FUNCTION WAS BEING CONDUCTED BY 65 OR FEWER CIVILIAN FTE'S, IT WOULD BE A CANDIDATE FOR A STREAMLINED ANALYSIS. IN THIS CASE, THE FA IS CONTINUED THROUGH IMPLEMENTATION OF THE TO BE ORGANIZATION. A CANDIDATE IDENTIFIED FOR STREAMLINED COST COMPARISON WITHIN THE NEW ORGANIZATION WILL THEN BE THE CURRENT ORGANIZATION AS REQUIRED BY REF B AND CAN BE CERTIFIED AS AN "MEO" AS REQUIRED BY REFS C AND D AND ITS COST CAN BE COMPARED TO PRIVATE SECTOR COSTS AS PROVIDED IN REF B.

6. FOR ALL OTHER BUSINESS UNITS WHERE A STREAMLINED APPROACH IS CONTEMPLATED, CLAIMANTS MUST PROVIDE A DESCRIPTION OF HOW THE REQUIREMENTS TO BOTH COMPETE THE ORGANIZATION AND CERTIFY AN MEO WILL BE COMBINED INTO AN APPROACH THAT CREATES POTENTIAL SAVINGS, SERVING THE PURPOSE OF THE NAVY STRATEGIC SOURCING PROGRAM.

7. THE FOLLOWING STRATEGIC SOURCING ADVISORIES REMAIN IN EFFECT
99-06, 00-01 THROUGH 00-04, 00-06, 00-08 AND 00-09, 01-01 AND 01-02,
01-04 AND 01-05, 01-07, 01-09 AND 01-10, 02-01 THROUGH 02-03, 02-05
THROUGH 02-07, 02-09 THROUGH 02-12. THIS MESSAGE AND ALL OTHER
EFFECTIVE STRATEGIC SOURCING PROGRAM ADVISORIES ARE POSTED ON THE
3SO WEB PAGE AT HELP.N4.HQ.NAVY.MIL. QUESTIONS MAY BE ADDRESSED TO
THE 3SO AT (901) 874-7207/7211.

8. RELEASED BY CAPTAIN ROBERT J SCOTT, DIRECTOR, STRATEGIC SOURCING
SUPPORT OFFICE.//

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